

Remarks by Montgomery County Council President Michael Subin on behalf of
the Council and County Executive Douglas M. Duncan
State Delegation 2004 Priorities Hearing
November 13, 2003

Good evening Senator Ruben, Delegate Barkley, and other members of the Delegation.

Thank you once again for the opportunity to share our thoughts on the County's priorities for the upcoming session. Before I proceed, however, I want to thank all of you for your efforts on behalf of the County last year. Under the leadership of Senator Ruben and Delegate Barkley, we saw major pieces of the agenda we set out last year get the nod from the State Legislature. After getting bumped from the queue more than once, a second research building at CARB in Shady Grove was funded in full. And, although a tough sell to some, a bill enabling the County to impose a local vehicle registration surcharge dedicated for local transportation projects passed.

That said, we suffered some major disappointments. The vehicle registration surcharge bill was vetoed by the Governor. And, due to the State's fiscal problems and the lack of agreement on a plan for resolving them, Montgomery County lost almost \$18 million in direct aid – an amount equivalent to 2/3rds of the increase we received in mandated education aid. Our local health and human services agency was also hit hard by budget cuts that were passed down from the State agencies.

It didn't end there, however. After the Legislature adjourned and the Council finalized the County budget, the Governor went to the Board of Public Works seeking approval for another round of budget cuts. Montgomery County lost another \$3 million in direct aid. But, the bigger hit occurred in the health and human services area where another \$6 million in cuts was passed down from the State.

If you looked back at last year's list of priorities, you would see at the top of the list "fiscal responsibility". You will see it again at the top of the list this year. Simply put, the State must find the political will to put its fiscal house in order. It must resolve its structural deficit without passing the problem down to the same local governments who partner with the State to provide services to citizens.

And, any solution must include a plan to fully fund the Thornton Commission recommendations within the timeline envisioned in Senate Bill 856. You fought hard as a delegation to ensure that the bill as passed was fair to Montgomery County first and foremost but also fair to the other 23 subdivisions. I know we all agree that there can be no walking away from this commitment.

We not only need to commit to meeting the goals of adequate funding on the operating side, the same commitment needs to be made on the capital side. Like other jurisdictions with surging enrollments, our public school construction needs are substantial. Last month, Superintendent Weast forwarded a request to the State for almost \$60 million in State public school construction funds. We know that the Governor's five year capital plan anticipates allocating only slightly more than \$100 million per year over this period. Twenty four subdivisions will be competing for this funding, of which several will be submitting similarly large requests. Obviously, this isn't a one year problem – like Montgomery, all of the growth jurisdictions have documented substantial needs and in response to those needs, have large programs in the queue.

A good K-12 education is the first part of a continuum of educational opportunities that have been available to the citizens of our County and the State. However, if the trends continue, children who are educated in our K-12 system may not have access to higher education programs because they are either unaffordable or simply unavailable.

Since fiscal 2002, with student enrollment growing rapidly, Montgomery College lost 20% of its State funding. The Cade funding formula, which had been fully phased in, was restructured to allow for a decrease in State support. And, the basis upon which the Cade formula percentages were applied – per pupil funding at the public four year institutions – declined by staggering amounts.

It is becoming paramount that some financial stability is returned to our institutions of higher education. And, in the process of doing so, we need to ensure that access to higher education services is not further restricted.

I understand that the Governor's capital budget will include just under \$12 million for the expansion of the Montgomery College Takoma Park campus, and we will be asking you to support that request.

Montgomery County has always been known for its education system. For less laudable reasons, it has also become known for its transportation system. In the latest study, despite our heavy use of transit, we have the dubious distinction of ranking 2nd as the worst congested area in the Country during rush hour and the 3rd most congested overall. Gridlock had set in – on the roads and in the political arena. So, last year, the County Executive unveiled the Go Montgomery! Program, which incorporates elements of the Council's 10 year transportation plan. We share the same goals, and together, we're moving forward.

Should there be a transportation revenue enhancement package this year, we urge you to make sure any financing plan that passes reflects: (1) the critical importance of transit to the urban areas of the State; and (2) the need for Montgomery County to have the authority to impose a local vehicle registration surcharge to raise additional revenues to finance local transportation projects.

I mentioned earlier our concerns about the cuts that were passed down from the State to our local health and human services department. We simply cannot absorb any additional cuts and be expected to deliver the same level of services, let alone meet the additional demands. Senator Kramer and Delegate Barkley, as members of the health and human services budget subcommittees, you know how difficult the decisions are in this area. Downturns in the economy are always accompanied by an increase in the demand for services but a decrease in State and local revenues to support that demand. The list you have highlights the priorities in this area, including the need, particularly when funds have been reduced, to allow local departments the flexibility to more creatively use State and local dollars to meet the needs of citizens based on County demographics and individual circumstances. This is a significant concern in the mental health area.

Also, the Commission on Juvenile Justice, a Department of Health and Human Services advisory board has been working for some time with the Juvenile Court, the State Mental Hygiene Administration, and other stakeholders to develop guidelines for legislation establishing procedures for determining the competency of juveniles to stand trial in Juvenile Court. Twenty six states already have laws on the books that provide direction on how to address competency questions. Hopefully, statewide legislation to clear up the ambiguities that exist in the Maryland statute will be introduced this year and be supported.

On the housing front, we need to continue to address the need for affordable housing in the County. Once again, we will be requesting funds through the State Rental Housing Partnership Program to help support the County's Moderately Priced Dwelling Unit (MPDU) Program.

In the public safety area, we have asked the State for \$3 million in capital funds to support the costs of the Montgomery County Detention Center Reuse project. Also, on the list again this year is a request for funds to reimburse the County for payment of the State's share of unanticipated costs at the Montgomery County Correctional facility.

After a hard fought battle to gain passage of a speed radar camera proposal this year, the Governor vetoed the bill. Passage of similar enabling legislation -- which placed limits on the locations where cameras could be placed -- will make our school zones and neighborhoods safer. The County Executive firmly believes that the problems with the bill highlighted by the Governor and the Chief Judge can be overcome and should not overshadow the safety benefits the bill has to offer.

We have included environmental issues on the priorities list since it is too great a risk to assume that our new Governor would rank protecting the environment as high as we might.

In Montgomery County, we have made a meaningful and substantial commitment to the improvement of our air quality and the expansion of clean renewable energy resources. By July 2004, five percent of all electricity used by County agencies will be generated using clean renewable energy. This will constitute the single largest purchase of renewable power ever conducted in our region, and will be a major step toward a sustainable energy future. That is why we should continue to support efforts to increase the amount of renewable energy produced throughout the State and the region.

Also, Montgomery County has always supported statewide efforts to increase the efficiency of energy use. Maryland has been a leader in energy efficiency in the past and needs to reinvigorate that position. Tax incentives that are only now beginning to be utilized by consumers are due to expire this year. These incentives need to remain in place in order to provide their intended market benefit.

Of serious concern to us is the diversion of State transfer tax revenues from land preservation programs to the State general fund. Montgomery County has benefited tremendously from the State programs. But, development pressures remain intense. And, without funding to purchase easements or place tracts of land in open space programs, we are likely to see farms and other large tracts of land sold to developers. We urge you to resist proposals that make permanent or continue the diversion of funds away from these critical programs.

That concludes a brief description of what we believe the County's priorities should be for the upcoming year.

We have never felt so confident in our State Delegation, which is why we believe most of these goals are attainable. We have members with a great deal of experience, we have members with major leadership positions, and, we have a cohort of new members that are blessed with talent, a desire to learn, and a strong commitment to public service. Based on your collective talents and experience – and if that isn't enough, by your pure numbers – you are a force to be reckoned with. And, with all of us working cooperatively, we will make things happen at the State level for Montgomery County.

Again, thank you for this opportunity.

2004 Priorities

Fiscal Responsibility

- Protect the provision of direct State aid to local governments and funds passed through by State agencies to help support local delivery of public services and programs

K-12 Education

- Secure full funding of the Thornton Commission recommendations based on the timeline originally envisioned
- Secure \$59.9 million in State public school construction funds

Higher Education

- Seek legislation to restore stability to community colleges by applying the provisions of the Cade funding formula as originally enacted, beginning in fiscal 2005
- Secure \$11.6 million in State capital funds for the expansion of the Montgomery College Takoma Park Campus
- Support efforts to restore stability to the flow of State operating funds for Maryland's public four year institutions of higher education

Transportation

- Accelerate the implementation of the Go Montgomery! Plan, which incorporates elements of the Council's 10 year transportation plan, by supporting a proposal to allow the County to impose a local vehicle registration surcharge
- Secure a commitment from the State to fund a balanced transportation program that appropriately reflects the importance of transit to the County and region

Health and Human Services

- Seek full funding for mental health and substance abuse programs
- Secure a commitment that enables local departments to create health and human services systems tailored to meet client needs and based on outcomes and sound business practices
- Secure a commitment to insure more uninsured children through the Maryland Children's Health Insurance Program (MCHIP), not fewer children
- Support efforts to restore purchase of care funding through the State's child care subsidy program
- Support efforts to increase the number of slots made available through the Medicaid Waiver for Home and Community Based Services program so that more eligible individuals can be served in the community instead of a nursing home
- Support legislation that establishes procedures for determining the competency of juveniles to stand trial in Juvenile Court

Housing

- Secure funding again this year to help support the County's moderately priced dwelling unit (MPDU) program through the State Rental Housing Partnership Program

Public Safety

- Secure \$3.1 million for the Montgomery County Detention Center Reuse project
- Secure \$2.3 million as reimbursement for payment of the State's share of unanticipated costs at the Montgomery County Correctional Facility
- Support passage of legislation vetoed by the Governor this year that allowed local jurisdictions to install speed radar cameras
- Support passage of legislation that bans the manufacturing, sale, and possession of assault weapons and requires lost or stolen firearms to be reported
- Support strategies to address the over-representation of minorities being served in Maryland's criminal justice system

Environment

- Support efforts and legislative proposals to increase the amount of renewable energy produced throughout the State and region
- Support efforts and legislative proposals to increase the efficiency of energy use
- Support efforts to restore funding for land preservation programs by eliminating the diversion of State transfer tax revenues, beginning in fiscal 2005